



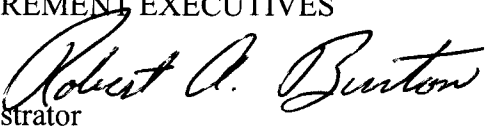
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503


October 7, 2004

OFFICE OF FEDERAL
PROCUREMENT POLICY

MEMORANDUM FOR CHIEF ACQUISITION OFFICERS
SENIOR PROCUREMENT EXECUTIVES

FROM:

Robert A. Burton 
Associate Administrator
Office of Federal Procurement Policy

Melanie R. Sabelhaus 
Deputy Administrator
Small Business Administration

SUBJECT: Timely and Accurate Small Business Procurement Reports for FY 2005

The Small Business Administration (SBA) relies upon the Federal Procurement Data System (FPDS) to access each agency's procurement data. SBA monitors this data to assess the federal government's achievement of its statutory small business participation goals, and to evaluate individual agency progress in meeting the goals negotiated with SBA. Agencies are currently transitioning to the FPDS next generation system (FPDS-NG). As a consequence of the transition, data entered into the new system is not yet available for goaling reports and SBA is, therefore, unable to monitor goal achievement. For this reason, the manual reporting process adopted in FY 2004 will be extended into FY 2005.

Until further notice, each agency is requested to provide a report to the Office of Federal Procurement Policy (OFPP) and SBA summarizing the status of the agency's goal achievement. The format for the report is provided in Attachment 1. The quarterly reports are due as follows:

First quarter	January 30, 2005
Second quarter	April 30, 2005
Third quarter	July 31, 2005
Fourth quarter	October 31, 2005

Your cooperation in this effort is appreciated. We anticipate FPDS-NG will be operational soon, eliminating the need for manual reporting. In the interim, please continue to ensure that all reported small business procurement data conform to the requirements outlined in the SBA Goaling Guidelines, "Guidelines for the Small Business Preference Programs," dated July 3, 2003. Attachment 2 is a quick reference extracted from the Guidelines that identifies the procurement categories that should not be included in the data reported. The Goaling Guidelines can be found at: www.sba.gov/GC/goals.

The OFPP point of contact for information on small business goaling is Michael Gerich. He can be reached at 202-395-6811. The OFPP point of contact for information on FPDS-NG is Julie Basile. She can be reached at 202-395-4821. The point of contact at SBA is Patricia Holden. She can be reached at 202-205-6385.

Attachments

cc: OSDBU Directors

PROCUREMENT REPORT

Agency or Department _____ (Includes all buying activities)

Date of Report _____

Fiscal Year _____	1 st Quarter	2 nd Quarter Cumulative	3 rd Quarter Cumulative	4 th Quarter Cumulative for FY
Small Business Prime Contracts (Government-wide goal 23%)	Total \$ _____ Total SB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SB \$ _____ SB Share (% of Total \$) _____ Agency's goal (%): _____ As negotiated with SBA
Small Disadvantaged Business Prime Contracts (Government-wide goal 5%)	Total \$ _____ Total SDB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SDB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SDB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SDB \$ _____ SB Share (% of Total \$) _____ Agency's goal (%): _____ As negotiated with SBA
Women-Owned Small Business Prime Contracts (Government-wide goal 5%)	Total \$ _____ Total WOSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total WOSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total WOSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total WOSB \$ _____ SB Share (% of Total \$) _____ Agency's goal (%): _____ As negotiated with SBA
HUBZone Small Business Prime Contracts (Government-wide goal 3%)	Total \$ _____ Total HZSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total HZSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total HZSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total HZSB \$ _____ SB Share (% of Total \$) _____ Agency's goal (%): _____ As negotiated with SBA
Service-Disabled Veteran- Owned Small Business Prime Contracts (Government-wide goal 3%)	Total \$ _____ Total SDVOSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SDVOSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SDVOSB \$ _____ SB Share (% of Total \$) _____	Total \$ _____ Total SDVOSB \$ _____ SB Share (% of Total \$) _____ Agency's goal (%): _____ As negotiated with SBA

Certification by the Senior Procurement Executive: _____

I certify that the procurement report is true, correct and complete as of _____,

That it has been prepared in accordance with SBA's Goaling Guidelines and FPDC's Reporting Manual, and

That it includes all prime procurement dollars but does not include grants, MOUs, contracts to directed sources, or contracts made with non-appropriated funds.

If the SBA and the agency cannot agree on the proposed goals, the agency may submit the case to OMB's Office of Federal Procurement Policy (OFPP) for resolution. If this process is completed in the month of September, it will be included in the final goals that are distributed to all agencies prior to the beginning of the fiscal year. If the appeal process is prolonged, the SBA will assign either the statutory level or the average achievement for the past 3 years – whichever is higher - so that the goaling process can commence in a timely manner and assure that the statutory government-wide goaling level has been established.

D. DATA COLLECTION

How Does the SBA Collect Data?

The SBA does not collect the goaling achievement data directly from agencies. Public Law 93-400 requires the OFPP to establish a system for collecting, developing and disseminating procurement data which takes into account the needs of Congress, the Executive Branch and the public sector. The Government Services Administration's Federal Procurement Data Center (FPDC) operates the Federal Procurement Data System (FPDS) on behalf of OFPP. The FPDC collects quarterly FPDS data electronically from each Federal agency with procurement authority. FPDS data is the official record of Federal procurement that SBA uses to monitor agencies' goal achievement.

What Must Agencies Report About Their Procurements?

Agencies report prime contract actions on the Individual Contract Action Report (SF 279) and the Summary Contract Action Report (SF 281). Agencies get on-line forms and detailed instructions for reporting in the FPDS's Reporting Manual at www.fpdc.gov/fpdc/rm2002.pdf. The Reporting Manual provides guidance on the actions that should or should not be reported to the FPDS.

Agencies must also report Summary Subcontracting Activity using the Summary Subcontract Report (SF 295) format.

What Type of Contract Actions are Reported to FPDS But Excluded From the Goaling Base?

The following table lists categories of contracts that are reported to FPDS for statistical purposes, but are not part of the goaling program. Each category has an example and explanation showing why it is excluded.

CLASS OF CONTRACT	EXAMPLES; SUCH AS	REASON FOR EXCLUSIONS
JWOD awards.	Goods and services produced by nonprofit agencies employing blind or severely disabled workers such as printing business cards.	JWOD is a mandatory source.

UNICOR awards from procuring agencies.	Goods and services supplied by Federal Prison Industries such as office furniture.	UNICOR is a mandatory source.
American Institute of Taiwan	This is a non-profit entity created by Congress to perform embassy type actions for the U.S. with Taiwan.	This is a directed source (P.L. 96-8). The 'purchasing' agency has no discretion in making the award.
Contracts awarded and performed abroad.	Such as embassies making purchases from foreign firms outside the U.S.	U.S. small businesses have little or no opportunity to compete for these contracts.
Contract performed entirely abroad.	Such as oil for reserves.	U.S. small businesses have little opportunity to perform contracts outside the U.S.
Credit card purchases.	Purchases under \$2,500 such as office supplies.	No socio-economic data are available to attribute the award to any specific goaling category. Contracts for which payments are made by credit card are reported as any other contract.
Acquisitions by agencies on behalf of foreign governments or entities.	Such as some types of foreign aid.	These are non-military Government to Government transactions where the funds from the foreign government "pass-through" the 'purchasing agency' to the supplier at no cost to the U.S. Government.
Contracts for foreign governments or international organizations.	DoD Foreign military sales.	These are Government to Government transactions for military supplies and services where the funds from the foreign government "pass-through" the 'purchasing agency' to the supplier at no cost to the U.S. Government.

What Types of Contract Actions are Not Reported to FPDS?

There are certain types of contract actions that agencies "DO NOT REPORT" to the FPDS. These "DO NOT REPORT" contract actions are not part of the goaling base that the SBA negotiates with each agency. Each agency is required to identify, justify and provide to the SBA for approval any contract action that it does not report to FPDS. This information will assist SBA in ensuring consistency among agencies when establishing the goaling baseline. The following table lists categories of contract actions that are not reported to the FPDS. Each category includes an example and explanation as to why it is not reported.

CLASS OF CONTRACT	EXAMPLES; SUCH AS	REASON FOR NON-REPORT
Contracts funded predominately with agency generated sources (user fees, gifts, sale of production, gas taxes, private	Such as Comptroller of Currency, U.S. Mint, Bureau of Printing and Engraving, Office of Thrift Supervision, Tennessee Valley	They do not use appropriated funds.

sector reimbursements, etc.)*	Authority, federal Highway Administration contracts using trust funds, EPA's remediation contracts for which EPA is reimbursed by the private sector, UNICOR's acquisitions of raw materials, DoD's commissary or DLA acquisitions of inventory.	
Wholesale supply sources	Such as Army Base acquisitions of supplies from DLA; commissary, Army/Airforce Exchange, military inventory control points, and stock programs by VA.	These are intraagency transactions – not contracts.
Contract actions not subject to federal Acquisition Regulations (FAR)	Such as federal Aviation Administration, (Section 348, P.L. 104-50; 109 Stat.436, 460) Transportation Security Administration, Post Office and U.S. Mint.	The Goaling Program only applies to contract actions covered by FAR. Some agencies have exemptions from FAR (and/or the SB Act) for various reasons such as national security. The Mint is not under FAR and does not use appropriated funds.
Transactions that are not contracts	Such as grants, Memoranda of Understanding (MOUs), foreign assistance to foreign entities. For example, FHA has used non-contract vehicles for some directed acquisitions that are not reportable actions.	There are no goals for MOUs, grants or assistance, only prime and subcontracts.
Personal Service Contracts that are issued under 5 U.S.C. 3109. (FAR Part 37)	Such as the State Department.	The contractors are treated as employees by the IRS and Dept. rather than contractors. Employee salaries are not reportable contracts, so these are not reported.

*NOTE: When acquisitions are funded with a combination of appropriated and non appropriated funds such as gifts and user fees, agencies classify the action by the predominate source of funds. If the predominate source of funds are non-appropriated – it is a "do not report" transaction for FPDS purposes. (See Reporting Manual by FPDC for details on how to report.)

Can Agencies Include Transactions Not Covered by the Goaling Program?

As a matter of policy, awards in categories outside the goaling authority (such as grants, contracts funded with user fees, etc.) cannot be included in the goaling base and cannot be counted towards goal achievements. These transactions are not 'exclusions' negotiated with the SBA, they are just not part of the goaling program. Agencies must identify and justify transactions outside of the goaling program authority and inform the SBA that it is not reporting these transactions annually when it negotiates goals.

Can Agencies Report Transactions Not Covered by the Goaling Program to FPDS?